

NEW APPLICATION



0000020849

COMMISSIONERS

RECEIVED

JEFF HATCH-MILLER - Chairman
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

2005 JUN 30 P 4:02
AZ CORP COMMISSION
DOCUMENT CONTROL

ORIGINAL
Arizona Corporation Commission
DOCKETED

JUN 30 2005

BEFORE THE ARIZONA CORPORATION COMMISSION

DOCKETED BY

APC

IN THE MATTER OF THE APPLICATION
OF ARIZONA WATER COMPANY, AN
ARIZONA CORPORATION, TO EXTEND
ITS EXISTING CERTIFICATE OF
CONVENIENCE AND NECESSITY AT
CASA GRANDE, PINAL COUNTY,
ARIZONA

DOCKET NO. W-01445A-05-

APPLICATION TO EXTEND
EXISTING CERTIFICATE OF
CONVENIENCE AND NECESSITY TO
INCLUDE ADDITIONAL TERRITORY

W-01445A-05-0469

ARIZONA WATER COMPANY, an Arizona corporation, ("AWC") through its undersigned counsel, presents the following Application to extend its existing Certificate of Convenience and Necessity ("CC&N") for its Casa Grande system. This Application is based on the following:

1. AWC presently holds CC&N's issued to it by the Arizona Corporation Commission (the "Commission") in various decisions beginning in 1955 for the purpose of providing water service in the City of Casa Grande and the surrounding area in Pinal County.

2. The areas that AWC seeks to add to its CC&N are described in Exhibit 1 hereto. The area surrounding or adjacent to the areas described in Exhibit 1 is already certificated to and served by AWC as shown in Exhibit 3 hereto.

AWC currently owns and operates an existing water distribution system and provides water service to approximately 200 customers within the area described in

ORIGINAL

1 Exhibit 1 as Parcel One. The water distribution system serving this area is part of
2 AWC's Casa Grande system.

3 The following property owners have requested AWC to provide water service to
4 their properties, which are also described in Exhibit 1 and shown in Exhibit 3, and apply
5 to the Commission for authority to include their properties within AWC's CC&N:

- 6 1. TCP Investments, Inc., the owner of the majority of the property (Sierra Vista
7 Project) described as Parcel Two.
- 8 2. William H. Warren and Jacqueline M. Warren, the owners of the majority of
9 the property described as Parcel Three.
- 10 3. Kyvek Development LLC, the owner of the majority of the property described
11 as Parcel Four.
- 12 4. I-10 Woodruff 300 L.L.L.P. and Daley Woodruff L.L.C., the owners of the
13 majority of the property described as Parcel Five.
- 14 5. Cornerstone Homes & Development, Inc. the owner of the majority of the
15 property described as Parcel Six.
- 16 6. Laco Development, Inc., the owner of the majority of the property described
17 as Parcel Seven.
- 18 7. Ethington 40, the owner of the majority of the property described as Parcel
19 Eight.

20 Copies of letters from, or on behalf of the foregoing property owners are
21 attached as Exhibit 2 hereto. AWC presently owns and operates water system facilities
22 within and in the vicinity of the areas described in Exhibit 1. Those water system
23 facilities are used to serve existing customers, and will be used to provide service to
24 future customers.

25 3. AWC estimates the total number of customers to be served in the areas
26 described in Exhibit 1 will be approximately 1,000 within five years following the date of
27 the filing of this Application.

4. A map showing AWC's present CC&N and the territory to be added by this Application is attached as Exhibit 3 hereto.

5. A list of the owners of all of the properties described in Exhibit 1 is attached as Exhibit 4 hereto. Each property owner will be mailed the public notice attached as Exhibit 5 hereto.

6. AWC is financially able to construct, operate, and maintain the facilities necessary to provide service to the areas described in Exhibit 1. AWC's current financial statement is attached as Exhibit 6 hereto.

7. Portions of the areas described in Exhibit 1 are located within the municipal boundaries of the City of Casa Grande and the City of Eloy. Within those cities, AWC operates and maintains its water system pursuant to permits issued by those cities and not pursuant to franchise, in accordance with ARS 40-282.B which provides that an applicant for a certificate shall submit to the Commission evidence to show:

"... that the applicant has received the required consent, franchise **or permit** of the proper county, city and county, municipal or other public authority." (emphasis supplied)

In a recent AWC application to expand its CC&N within the City of Casa Grande, the Commission approved the foregoing permit procedure. (See Decision No. 66894, Finding of Fact No. 11 (April 6, 2004)). In addition, the City of Casa Grande and AWC have agreed upon a new franchise, which the City of Casa Grande will submit for voter approval at an election scheduled for September 6, 2005.

The remainder of the areas described in Exhibit 1 are located within unincorporated areas of Pinal County for which AWC has a Pinal County Franchise, a copy of which is attached as Exhibit 7 hereto.

8. AWC's By-Laws do not require a corporate resolution on behalf of AWC in conjunction with this Application.

9. Public convenience and necessity will be served by having AWC extend its CC&N to include the areas described in Exhibit 1.

10. AWC proposes to utilize its currently authorized rates and charges for its Casa Grande system for service to the areas described in Exhibit 1. AWC will continue to charge these rates until the Commission changes the rates.

WHEREFORE, AWC respectfully requests that the Commission hold a hearing on this Application, and enter an order, or, in the alternative, that it enter an order without the necessity of a hearing, which order shall provide for the following:

1. Issuing to AWC a Certificate of Convenience and Necessity for the areas described in Exhibit 1 hereto.
2. Granting such other further and general relief as appropriate in the premises.

RESPECTFULLY SUBMITTED this 30th day of June 2005.

ARIZONA WATER COMPANY

By: Robert W. Geake
Robert W. Geake
Vice President and General Counsel
ARIZONA WATER COMPANY
Post Office Box 29006
Phoenix, Arizona 85038-9006

Original and thirteen (13) copies of the foregoing filed this 30th day of June 2005
with:

Docket Control Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

1 A copy of the foregoing was mailed this 30th day of June 2005 to:

2 Christopher Kempley, Chief Counsel
3 Legal Division
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 Ernest G. Johnson
8 Director, Utilities Division
9 Arizona Corporation Commission
10 1200 West Washington Street
11 Phoenix, Arizona 85007

12 By: Robert W. Gable

EXHIBIT 1

CC&N This Application

PARCEL ONE

Sections 1 and 12 of Township 7 South, Range 4 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona. **Together With:**

Sections 5, 6, 7, and 8 of Township 7 South, Range 5 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona. **Together With:**

The Northeast quarter and the South half of Section 32, Township 6 South, Range 5 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona.

PARCEL TWO

All of Section 25 and the Northeast quarter of Section 26, Township 7 South, Range 6 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona.

PARCEL THREE

All of Section 36, Township 7 South, Range 6 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona.

PARCEL FOUR

That portion of Lots 1, 2, 3, 4, 5, 6, and 7 and the Southeast quarter of the Northwest quarter and the Southwest quarter of the Northeast quarter and the East half of the Southwest quarter of Section 6, Township 7 South, Range 7 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the Northeast corner of said Section 6, also being the Northeast corner of said Lot 1;

Thence South 00 Degrees 46 Minutes 20 Seconds East, along the East line of said Lot 1, a distance of 589.31 feet to the existing field location of the North edge of the Florence-Casa Grande Canal;

Thence along said North edge, the following 15 courses and distances;

Thence North 89 Degrees 47 Minutes 23 Seconds West, 403.39 feet;

Thence South 63 Degrees 13 Minutes 34 Seconds West, 119.11 feet;

Thence South 36 Degrees 20 Minutes 31 Seconds West, 586.88 feet;

Thence South 27 Degrees 15 Minutes 22 Seconds West, 233.24 feet.;

Thence South 89 Degrees 56 Minutes 56 Seconds West, 356.22 feet;

Thence South 00 Degrees 54 Minutes 57 Seconds East, 668.72 feet;

Thence South 34 Degrees 10 Minutes 22 Seconds West, 136.77 feet;

EXHIBIT 1

Thence South 53 Degrees 59 Minutes 16 Seconds West, 122.25 feet;
Thence South 69 Degrees 44 Minutes 07 Seconds West, 1217.20 feet;
Thence South 01 Degrees 03 Minutes 35 Seconds East, 55.06 feet;
Thence North 89 Degrees 58 Minutes 48 Seconds West, 150.00 feet;
Thence South 61 Degrees 08 Minutes 49 Seconds West, 150.07 feet;
Thence South 51 Degrees 09 Minutes 27 Seconds West, 2015.19 feet;
Thence South 60 Degrees 17 Minutes 26 Seconds West, 190.09 feet;
Thence South 68 Degrees 41 Minutes 00 Seconds West, 572.72 feet to the West line of said Lot 7;
Thence North 01 Degrees 17 Minutes 36 Seconds West, 1639.99 feet to the West quarter corner of said Section 6;
Thence North 00 Degrees 39 Minutes 31 Seconds West, 2651.27 feet to the Northwest corner of said Section 6;
Thence North 89 Degrees 59 Minutes 58 Seconds East, 2568.10 feet to the North quarter corner of said section 6;
Thence North 90 Degrees 00 Minutes 00 Seconds East, 2667.57 feet to the Northeast corner of said Section 6 and the POINT OF BEGINNING.

PARCEL FIVE

The West half of the Northeast quarter of Section 27, Township 5 South Range 6 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona.

PARCEL SIX

The Northwest quarter of Section 3, Township 6 South, Range 7 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona.

PARCEL SEVEN

A portion of the Southeast quarter of Section 3, Township 6 South, Range 7 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

Commencing at the East quarter corner of said Section 3, a rebar with aluminum cap;
Thence South 89 Degrees 52 Minutes 39 Seconds West, along the North line of said Southeast quarter, a distance of 1328.87 feet to the Northeast corner of the West half of the Southeast quarter of said Section 3 and the POINT OF BEGINNING;
Thence South 00 Degrees 16 Minutes 03 Seconds West, along the East line of said West half, a distance of 1368.45 feet to the North line of a El Paso Natural Gas Easement as described in Docket 556, Page 497, records of Pinal County;
Thence South 89 Degrees 54 Minutes 46 Seconds West, along said North line, a distance of 1331.05 feet to the West line of said Southeast quarter;
Thence North 00 Degrees 21 Minutes 34 Seconds East, along said West line, a distance of 1367.65 feet to the North line of said Southeast quarter;
Thence North 89 Degrees 52 Minutes 39 Seconds East, along said North line, a distance of 1328.87 feet to the POINT OF BEGINNING. **Together With:**

EXHIBIT 1

A portion of the Southeast quarter of Section 3, Township 6 South, Range 7 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

BEGINNING at the East quarter corner of said Section 3, a rebar with aluminum cap;
Thence South 00 Degrees 10 Minutes 30 Seconds West, along the East line of the Southeast quarter of Section 3, a distance of 1394.23 feet to the North line of a El Paso Natural Gas Easement, as described in Docket 556, Page 497, records of Pinal County;
Thence South 89 Degrees 57 Minutes 44 Seconds West, along said North line, a distance of 1331.10 feet to the West line of the East half of said Southeast quarter of said Section 3;
Thence North 00 Degrees 16 Minutes 03 Seconds East, along said West line, a distance of 1392.26 feet to the Northwest corner of said East half, and the North line of said Southeast quarter;
Thence North 89 Degrees 52 Minutes 37 Seconds East, along said North line, a distance of 1328.86 feet to the POINT OF BEGINNING.

PARCEL EIGHT

The Northeast quarter of the Northeast quarter of Section 20, Township 8 South, Range 7 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona.

EXHIBIT 2
ATTACHMENT A

Legal Description

Address:

17900 S. Toltec Buttes Rd.
Eloy, AZ 85231

Assessor's Parcel #:

Both parcel #'s 408-23-053 A & 408-23-053 B

Proximity:

The south west corner of Toltec Buttes Rd.. and Phillips Rd..

EXHIBIT 2

March 14, 2005

Mike Whitehead
Vice President, Engineering
Arizona Water Company
P.O. Box 29006
Phoenix, Arizona 85038-9006

Re: Extension OF CC&N for William H. and Jacqueline M.
Warren

Dear Mr. Whitehead,

William H. and Jacqueline M. Warren requests that Arizona Water Company file an application for approval to extend its Certificate of Convenience and Necessity near Arizona City, Pinal County, Arizona with the Arizona Corporation Commission to include an overall area of 618 acres, which is more accurately descibed as all of Section 36 T7-R6 Lying North and South of USA CAP. Streets surrounding this section are Sunland Gin Road, Battaglia Road, Lamb Road and Houser Road. Please notify us when you have been issued a Procedural Order on this extension.

Sincerely,

William H. Warren
Jacqueline M. Warren
William H. Warren
Jacqueline M. Warren
P.O. Box 111
Arizona City, Arizona 85223-0111

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MAR 15 2005

ARIZONA WATER COMPANY
PHOENIX - ENGINEERING

EXHIBIT 2

LKY Development Company, Inc.

5040 E. Shea Blvd.
Suite 254
Scottsdale, Arizona 85254
(480) 951-1281
FAX: (480) 483-2736

March 17, 2005

Mo'ke Whitehead
Vice President, Engineering
Arizona Water Company
P.O. Box 29006
Phoenix, Arizona 85038-9006

Re: Extension of OC&N for property that I-10 Woodruff 300 L.L.L.P.
and Daley Woodruff L.L.C. owns south of Val Vista in Casa Grande, AZ.

Dear MR. Whitehead,

I-10 Woodruff 300 L.L.L.P. and Daley Woodruff L.L.C. requests the Arizona Water Company file an application for approval to extend its Certificate of Convenience and Necessity in or near the City of Casa Grande, Arizona with the Arizona Corporation Commission to include an overall area of approximately 300 acres, which is more accurately described in Attachment "A" and depicted on the map as Attachment "B" both attached hereto. Please notify us when you have been issued a Procedural Order on this extension.

Sincerely,



Larry K. Yount, Manager

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MAR 21 2005

ARIZONA WATER COMPANY
PHOENIX - ENGINEERING

EXHIBIT 2

ATTACHMENT A

The East half of the Northwest quarter of the Northeast quarter and the Northeast quarter of the Northeast quarter of Section 27, Township 5 South, Range 6 East, Gila and Salt River Base and Meridian, Pinal County, Arizona;

EXCEPT any part lying within that portion of the East half of the Northwest quarter of the Northeast quarter; and of the Northeast quarter of the Northeast quarter of said Section 27, being more particularly described as follows:

BEGINNING at the Northeast corner of said Section 27;
Thence South 00 degrees 07 minutes 59 seconds East, along the east line of said Section 27, a distance of 75 feet;
Thence South 89 degrees 57 minutes 36 seconds West, 444.83 feet;
Thence South 34 degrees 07 minutes 04 seconds East, 797 feet more or less, to a point on said East line of Section 27;
Thence South 00 degrees 07 minutes 59 seconds East, along said East line of said Section 27, a distance of 580 feet, more or less, to the Southeast corner of the aforesaid Northeast quarter of the Northeast quarter of Section 27;
Thence North 89 degrees 57 minutes 36 seconds West, along the South line of said Northeast quarter of the Northeast quarter of said Section 27, a distance of 46.43 feet;
Thence North 34 degrees 07 minutes 04 seconds West, 1317.64 feet;
Thence along the arc of a curve to the left, having a radius of 200 feet, through a central angle of 55°55'25", an arc distance of 195.21 feet;
Thence South 89 degrees 57 minutes 36 seconds West, 928.43 feet;
Thence North 00 degrees 02 minutes 24 seconds West, 141 feet to a point on the North line of said Section 27;
Thence North 89 degrees 57 minutes 36 seconds East along said North line of Section 27, a distance of 1,877 feet, more or less, to the POINT OF BEGINNING.

Together with:

Being a portion of Section 27, Township 5 South, Range 6 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, being more particularly described as follows:

Commencing at the South quarter corner of said Section 27;
Thence North 00 degrees 05 minutes 55 seconds West, along the North South mid-section line of said Section 27 a distance of 1702.35 feet to the POINT OF BEGINNING;
Thence continuing North 00 degrees 05 minutes 55 seconds West, along said North South mid-section line a distance of 1857.59 feet;
Thence North 89 degrees 58 minutes 02 seconds East, 228.71 feet;
Thence North 00 degrees 05 minutes 56 seconds West, 70.19 feet;
Thence North 89 degrees 58 minutes 02 seconds East, 382.75 feet;
Thence North 00 degrees 06 minutes 21 seconds West, 331.09 feet to a point on the South line of the North half of the Northeast quarter;
Thence North 89 degrees 58 minutes 02 seconds East, 1983.10 feet to a point on the Westerly right-of-way of Interstate 10;
Thence South 34 degrees 05 minutes 56 seconds East, along said right-of-way 83.06 feet to a point on the East line of said Section 27;
Thence South 00 degrees 06 minutes 51 seconds East, along said East line 1251.64 feet to the East quarter corner of said Section 27;
Thence South 00 degrees 08 minutes 02 seconds East, continuing along said East line 938.07 feet;
Thence South 89 degrees 57 minutes 33 seconds West, 2641.88 feet to the POINT OF BEGINNING.

509-44

SEC. 27, TN.5S RG.6E

THIS MAP IS FOR TAX PURPOSES ONLY.
THE OFFICE WILL NOT ASSUME LIABILITY FOR
REPRESENTATION, MEASUREMENTS OR ACRESAGE.

THE ORIGINAL PLAT OF THIS SUBDIVISION IS
ON FILE IN THE CLERK'S OFFICE. FOR COMPLETE INFORMATION OF PLAT
AND CORRECTIONS CALL (800) 886-7766.

EXHIBIT 2

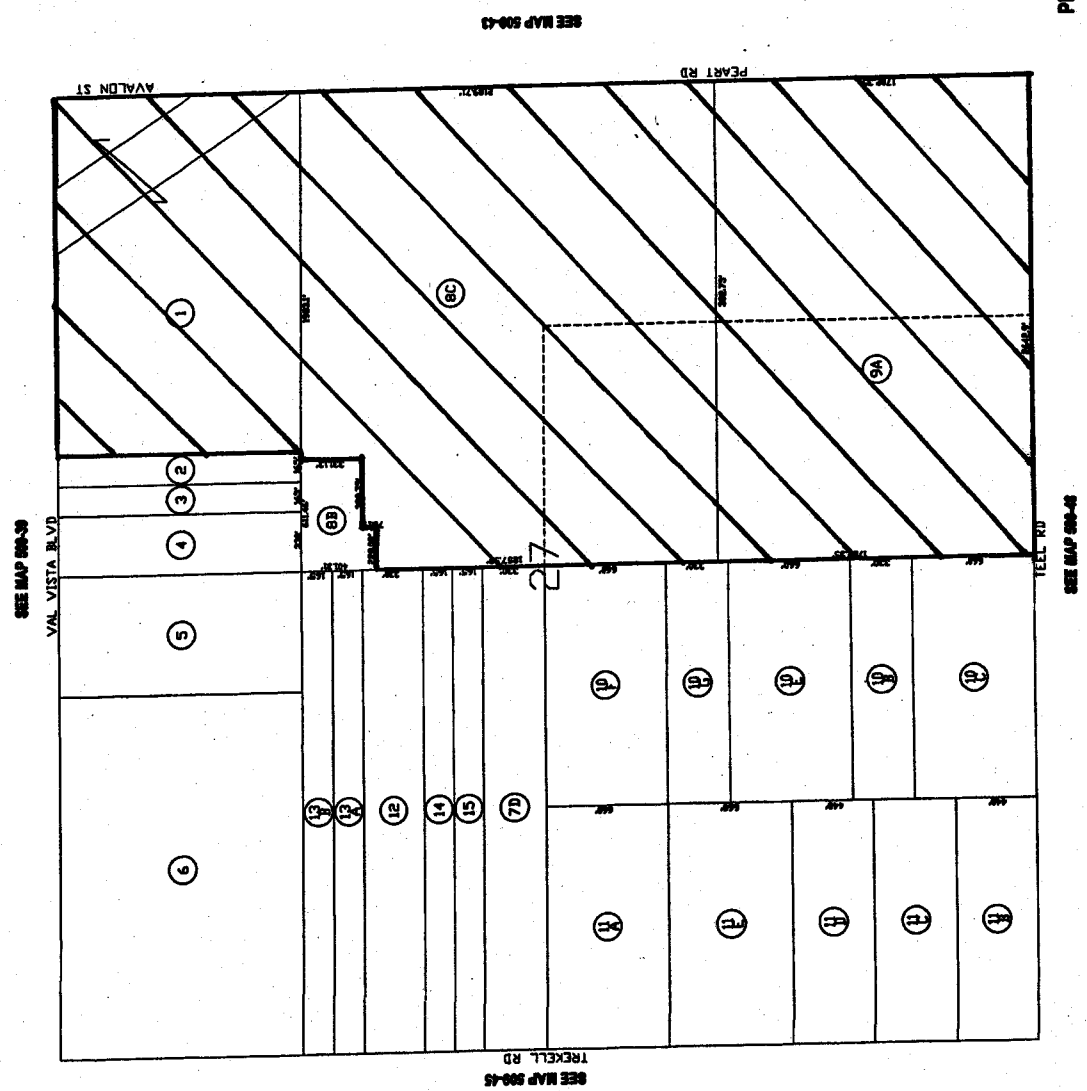
ATTACHMENT B



SCALE: 1" = 600'

02-11-2005

PINAL COUNTY ASSESSORS MAP



SEE MAP 509-43

SEE MAP 509-45

SEE MAP 509-39

SEE MAP 509-46

VICINITY MAP

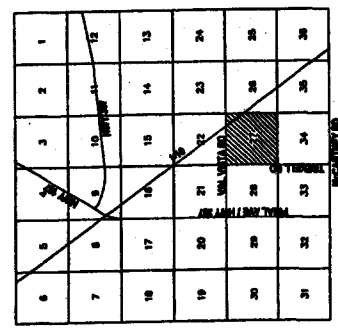


EXHIBIT 2

February 16, 2005

Mike Whitehead
Vice President, Engineering
Arizona Water Company
P.O. Box 29006
Phoenix, Arizona 85038-9006

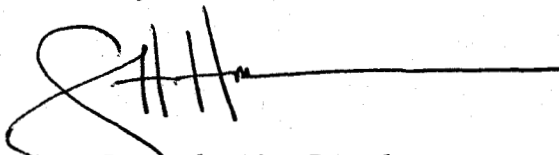
Re: Extension Of CC&N for *Saddle Creek II*, Coolidge, AZ.

Dear Mr. Whitehead,

Cornerstone Homes & Development, Inc. requests that Arizona Water Company file an application for approval to extend its Certificate of Convenience and Necessity in or near Coolidge, Pinal County, Arizona with the Arizona Corporation Commission to include an overall area of ± 163.82 acres, which is more accurately described in Attachment 'A' and depicted on the map as Attachment 'B', both attached hereto. Please notify us when you have been issued a Procedural Order on this extension.

This CC&N request is pursuant to the terms and agreements stated in the December 16, 2004 letter, which has been attached to this request.

Sincerely,

A handwritten signature in dark ink, appearing to read 'SH', followed by a horizontal line.

*Scott Hironaka, Vice President
Cornerstone Homes & Development, Inc.*

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FEB 17 2005

ARIZONA WATER COMPANY
PHOENIX - ENGINEERING

EXHIBIT 2

ATTACHMENT A

The Northwest quarter of Section 3, Township 6 South, Range 7
East of the Gila and Salt River Base and Meridian, Pinal County,
Arizona.

EXHIBIT 2

ATTACHMENT B

**NW ¼, SEC.3
T6S, R7E G & S R B & M
PINAL COUNTY, ARIZONA**

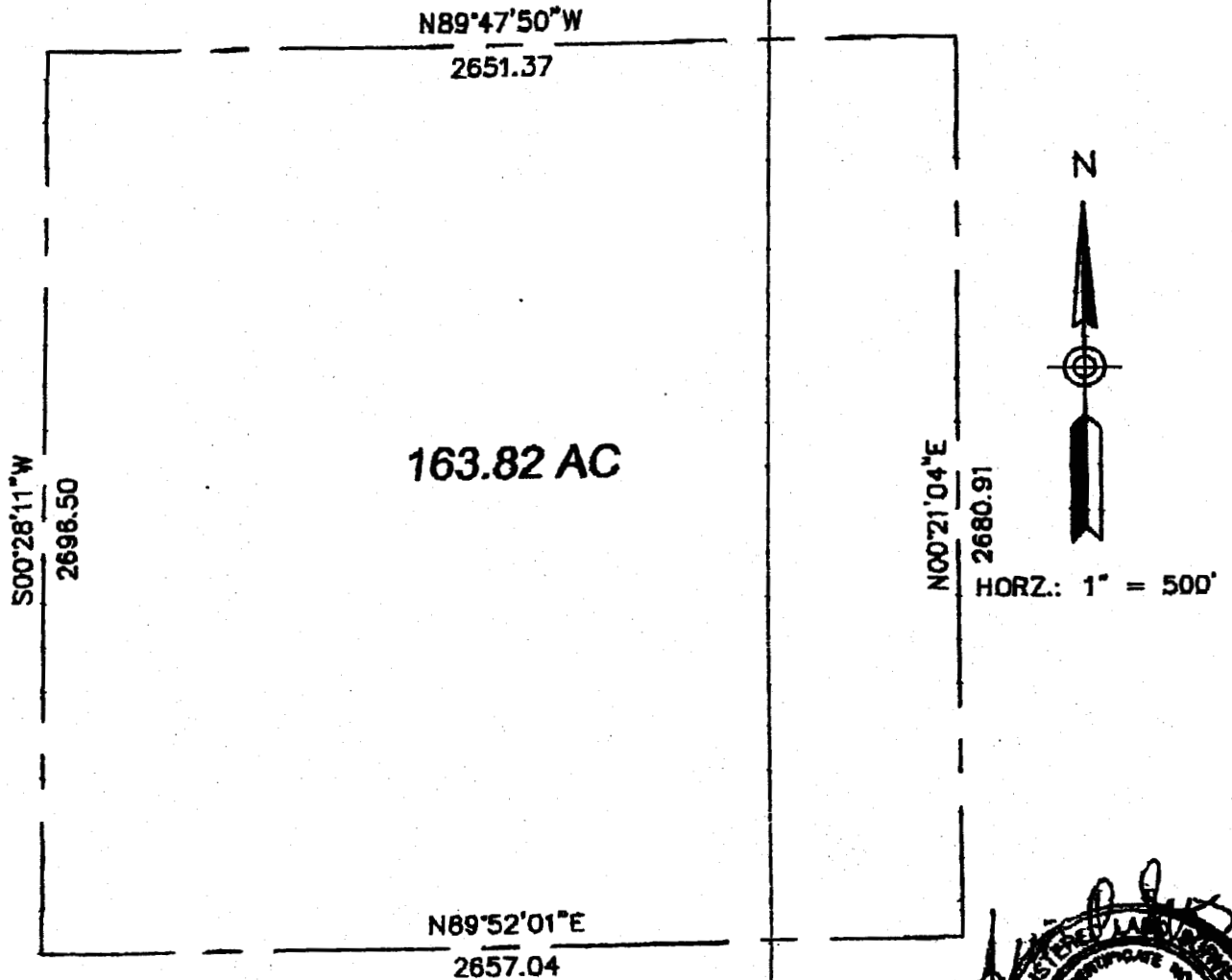


EXHIBIT 2

LACO DEVELOPMENT, INC

February 8, 2005

Mike Whitehead
Vice President, Engineering
Arizona Water Company
P.O. Box 29006
Phoenix, Arizona 85038-9006

Re: Extension of CC&N for Vista Del Rey Estates (Laco 80), Pinal County, AZ.

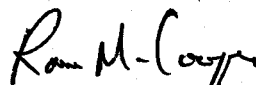
Dear Mr. Whitehead,

Laco Development, Inc., an Arizona corporation, requests that Arizona Water Company file an application for approval to extend its Certificate of Convenience and Necessity in Pinal County, Arizona with the Arizona Corporation Commission to include our property not currently within your certificated service area. The subject property, of 85.28 acres, is more accurately described in Attachment A and depicted on the map as Attachment B, both attached hereto.

Please notify us when you have been issued a Procedural Order on this extension.

Sincerely,

Laco Development, Inc.



Ross M. Cooper
Controlling Member

Enclosures

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FEB 14 2005

ARIZONA WATER COMPANY
PHOENIX - ENGINEERING

EXHIBIT 2

Attachment A

The property is located ¼ mile north of Randolph Road and immediately east of Curry Road in Pinal County, Arizona. Legally the property is described as the north half of the Southeast quarter of Section 3, Township 6 South, Range 7 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona; tax assessor parcel numbers 401-01-12805, 401-01-12904, 401-01-13001, 401-01-13100, 401-01-13209, 401-01-012K8, 401-01-012M2, 401-01- 012N4, 401-01-012P8, and 401-01-012R2.

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FEB 14 2005

ARIZONA WATER COMPANY
PHOENIX - ENGINEERING

Vista Del Ray Estates

EXHIBIT 2

ATTACHMENT B

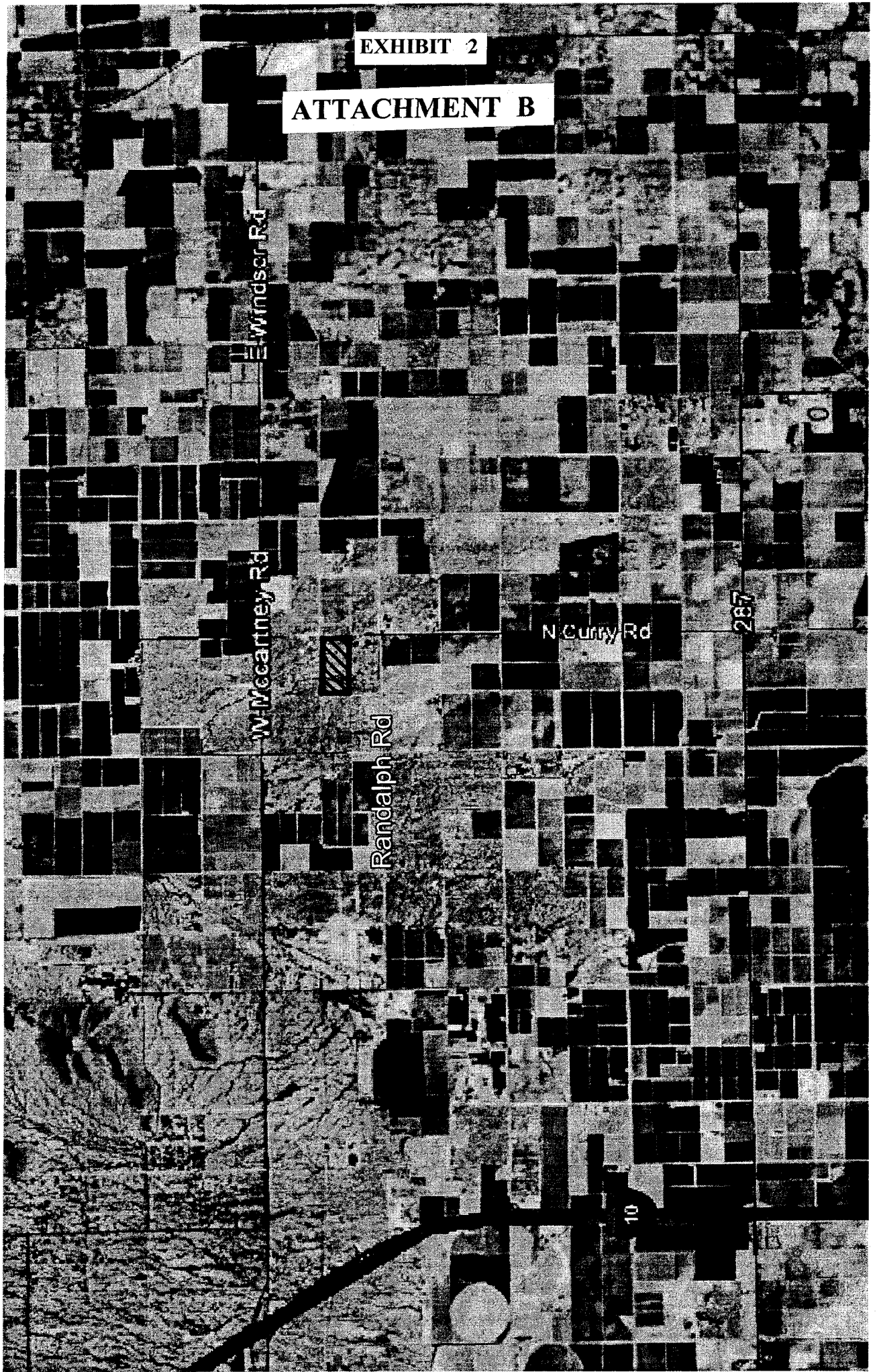


EXHIBIT 2 ATTACHMENT B

SEC. 20 TN.08S RG.07E

SEE MAP 408-23 5/8

**408-23
6/6**

**ELOY VALLEY WEST
BK. 1(SUR) - PG. 139**

THE ORIGINAL PLAT OF THIS SUBDIVISION IS ON FILE WITH THE PINAL COUNTY RECORDER'S OFFICE. FOR COMPLETE INFORMATION OF PLAT AND CORRECTIONS, CALL (602) 968-7700.

AREA CODE
0800

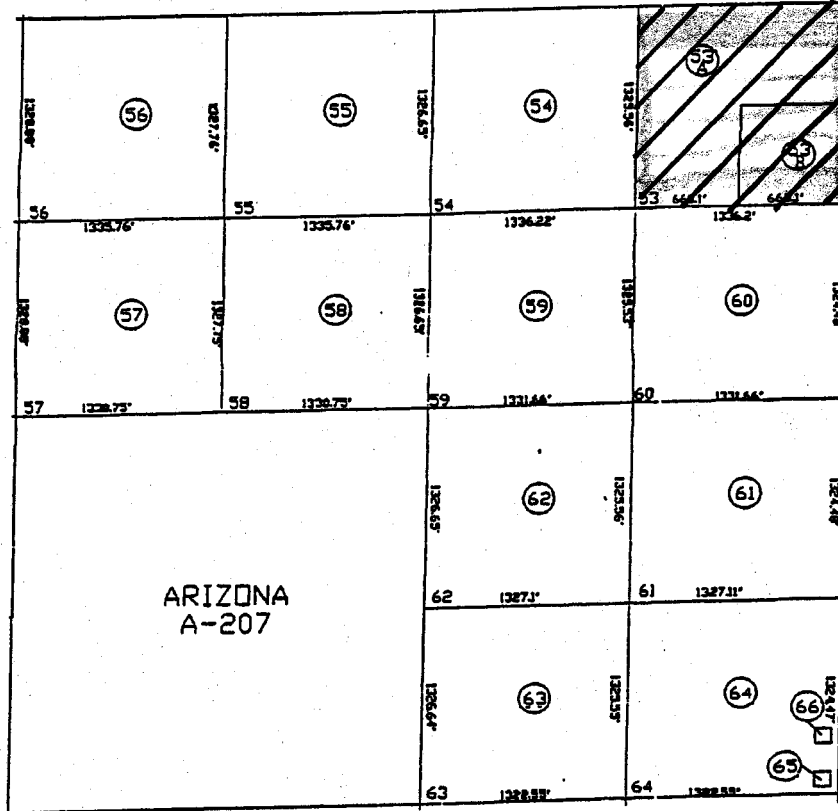
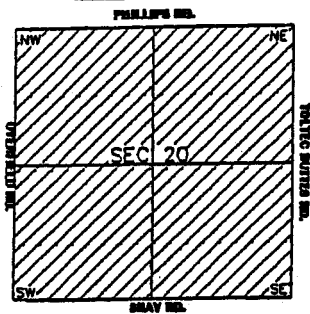
SPECIAL DISTRICTS
08000
08000

THIS MAP IS FOR THE PURPOSES ONLY.
THIS OFFICE WILL NOT ASSUME LIABILITY FOR
REPRESENTATION, REPRESENTATION OR RECORD.

SEE MAP 408-01

SEE MAP 408-01

VICINITY MAP



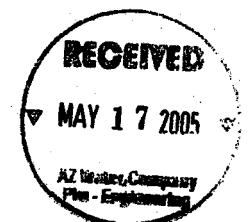
SEE MAP 408-01

PINAL COUNTY ASSESSORS MAP

SCALE: 1" = 600'

08-01-2001

4/5.100
4/6 Area?



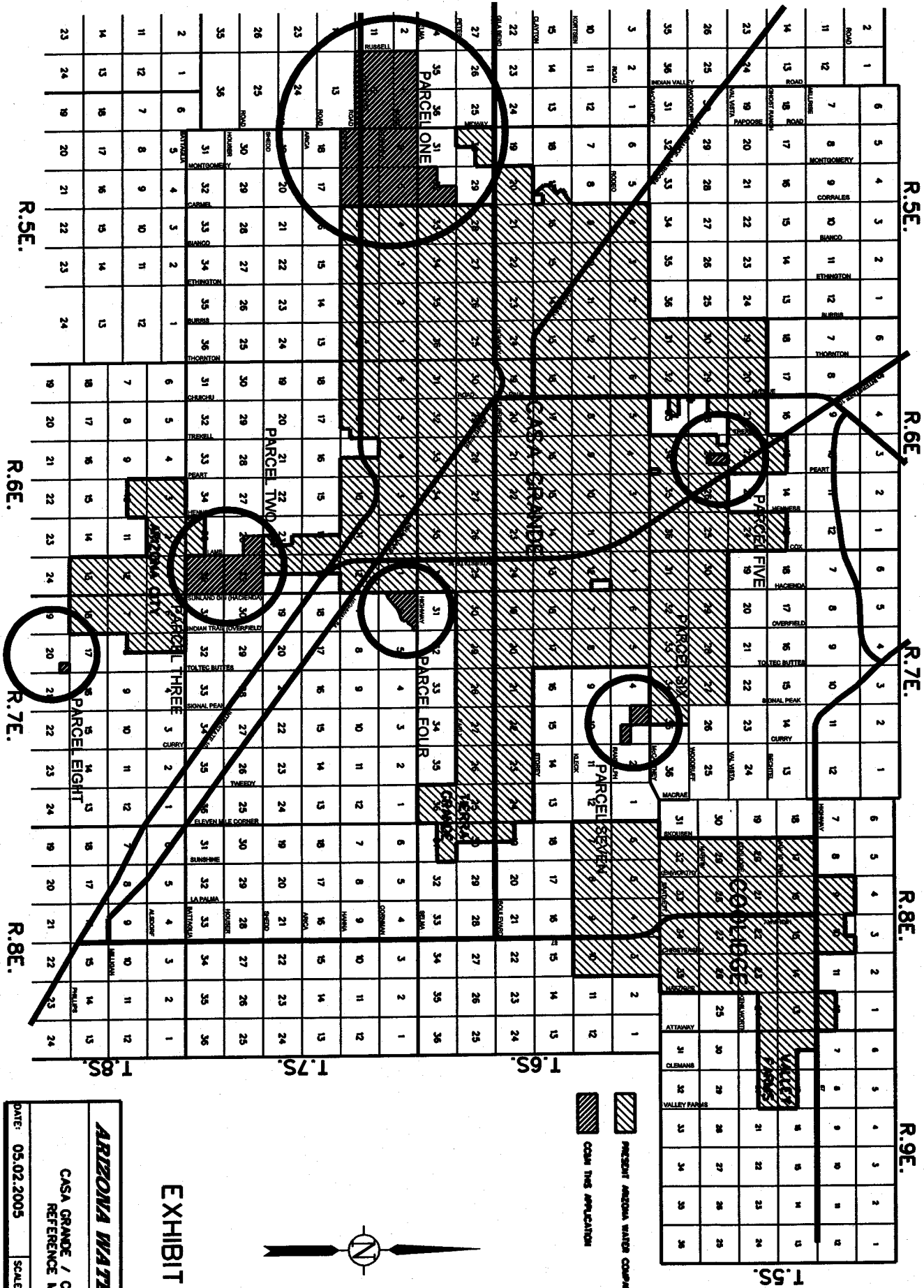


EXHIBIT 4

Property Owners List

PARCEL ONE

500-12-001A
EL PASO NATURAL GAS
P O BOX 1087
COLORADO SPRINGS, CO 80944

500-12-001B
UTZINGER DAVID HDDS PC
4207 E PALO VERDE DR
PHOENIX, AZ 85018

500-12-002
BRUNO WILLIAM S & PATRICIA A
PO BOX 771
CHANDLER, AZ 85244

500-12-003
BYCIUK MIKE & BONNIE SUE
3145 N 78TH ST
MESA, AZ 85207

500-12-004A
500-12-004C
500-12-004F
500-12-009
MCCASLIN ISAAC F & BARBARA G
3810 S PERSICO RD
CASA GRANDE, AZ 85222

500-12-004B
DIAMOND IMANI & PATAH
3070 EAST 123ST
CLEVELAND, OH 44120

500-12-004E
500-12-008
EVANS JAMES F
PO BOX 332
STANFIELD, AZ 85272

500-12-004G
TECHNOLOGY INC
2464 EASTSHORE DR
RENO, AZ 89509

500-12-005
MANUEL JULIE
PO BOX 11
STANFIELD, AZ 85272

EXHIBIT 4

500-12-006
PHIPPEN RICHARD F
930 S CALIFORNIA AVE
WEST COVINA, CA 91790

500-12-007A
500-12-007B
500-17-004A
500-17-004B
500-17-005
500-17-006
SRC MIDWAY 8 LTD PSHIP
7462 E CACTUS WREN ROAD
SCOTTSDALE, AZ 85250

500-13-001
SMITH PAUL B & JUDY E TRS
9460 N CALLE EL MILAGNO
TUCSON, AZ 85737

500-17-001B
500-17-002A
500-17-002B
500-17-002C
500-17-003
BENJAMIN JOSEPH I MD PC PENSION PL & TR
6319 W REDFIELD RD
GLENDALE, AZ 85306

500-18-001
CARRANZA FARMS
35430 W CARRANZA RD
STANFIELD, AZ 85272

503-54-002D
JUAREZ MARTIN G & COOPER ROSE
26376 SHERBUNDY DR
CASA GRANDE, AZ 85222

503-54-002E
HUGHES JACQUELYN SUE
P.O. BOX 5971
ARIZONA CITY, AZ 85223

503-54-002F
SANT PAUL P. & PAM
P.O. BOX 13124
CASA GRANDE, AZ 85230

503-54-002J
503-54-002K
WRONEK THOMAS D & DOROTHY M
1958 SOUTH CORRALES RD
CASA GRANDE, AZ 85222

EXHIBIT 4

503-54-003A
YORK JOYCE M & KIMBERLY S
4950 E PALOMINO RD
PHOENIX, AZ 85018

503-54-003C
RED BARRON LAND CO, LLC
1248 EAST GARY CIR
MESA, AZ 85203

503-54-003D
JOHNSON DALE E & PHYLLIS N
1551 N BEL AIR DR
MESA, AZ 85201

503-54-004B
TOONE MICHAEL J & CAROL H
P.O. BOX 5365
MESA, AZ 85213

503-54-002G
ENGLEMAN RICHARD & JOANN
13034 W SELMA HIGHWAY
CASA GRANDE, AZ 85222

503-54-004C
503-54-004E
503-54-004F
CUPP DAVID P & STELLA
1976 CALLE MEDIA
CASA GRANDE, AZ 85222

503-54-004D
BANDAK MAHA
1333 EAST BELL DE MAR
TEMPE, AZ 85283

503-54-005
AMERICAN WAY ENTERPRISES INC
1515 WEST FRIAR
PHOENIX, AZ 85021

503-54-006A
503-54-006C
503-54-006D
503-54-006E
HAMID HISHAM HASHEM
3948 WEST WOOD DR
PHOENIX, AZ 85029

503-54-006B
BOWEN DANIEL & MARY A
1736 W PERSHING AVE
PHOENIX, AZ 85021

EXHIBIT 4

503-54-008C
ALEJANDRO RUBEN
26516 W ALAMO RD
CASA GRANDE, AZ 85222

503-54-009
NICHOLS ANN W
4556 N FLECHA DR
TUCSON, AZ 85718

503-54-011C
GARCIA STEVE & MARRICCO RENA
1135 YORK DRIVE
VISTA, CA 92084

503-54-012
PUZISS KELLY & BRIAN R
PO BOX 22193
PHOENIX, AZ 85028

503-54-013
THURMOND SUSAN
5188 E CALLE DEL NORTE
PHOENIX, AZ 85018

503-54-014
SKP COOP RV RETREAT INC
3241 S MONTGOMERY RD
CASA GRANDE, AZ 85222

503-54-015
MCMILLAN JAMES
10203 E ILLINI BASE 5
APACHE JUNCTION, AZ 85220

503-54-016
PALM SPRINGS MCM LLC
4447 E BROADWAY #109
MESA, AZ 85206

511-05-001B
CIRCLE DOT LLC
P.O. BOX 10450
CASA GRANDE, AZ 85230

511-05-002C
LING ANDREW
6226 E SUNNYSIDE DR
SCOTTSDALE, AZ 85254

EXHIBIT 4

511-05-002D
OU YANG BIE YU
OU YANG CHING KUN
8 GOLDENROD
IRVINE, CA 92614

511-05-002E
YUCCUPICIO PABLO H JR & GLORIA
1147 E LOVE ST
CASA GRANDE, AZ 85222

511-05-002F
MIDDLETON TERRI S
PO BOX 275
SANDERS, AZ 86512

511-05-004B
STATE OF ARIZONA
1616 WEST ADAMS STREET
PHOENIX, AZ 85007

511-05-004D
WEINZWEIG MARION
110 W NORTHERN AVE
PHOENIX, AZ 85021

511-05-004E
LUND VICTOR E & PATRICIA F
6533 N 7TH AVE 5
PHOENIX, AZ 85013

511-05-005E
PRECIO GRANDE LTD PSHIP
2944 N 44TH ST 200
PHOENIX, AZ 85018

511-05-006
RAVEN II HOLDINGS LLC
4710 E FALCON DR
MESA, AZ 85215

511-05-007A
WARSAW ARTHUR L & MARION
5338 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-05-007B
MCLAURIN DENNIS RICHARD & JANET MARIE
4200 ERNA ST
BELLEVILLE, IL 62226

511-05-007C
RANCHO CABALLO LOCO
PO BOX 15005
CASA GRANDE, AZ 85230

EXHIBIT 4

511-05-007D
MARQUEZ ESMERALDA
RR 1 BOX 61C4
PARKER, AZ 85344

511-05-007E
JONES FRANCES MARIE
5308 S WHISPERING SANDS RD
CASA GRANDE, AZ 85222

511-05-008B
BRACKETT ARTHUR A & EMMA L
5106 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-05-008C
WEST KATHERINE S
5268 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-05-008D
THOMPSON PATRICIA G
5260 W WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-05-008E
ALBAN WILMA STEELE & STEELE DAVID M JR
8210 JEFFERS CIR
TOWSON, MD 21204

511-05-008F
YOUNGS WENDY M
5190 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-05-008G
QUILLEN JOHN
5180 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-05-009C
ORKNEY GARTH B & REBECCA N
1845 S DOBSON RD 117
MESA, AZ 85202

511-05-009D
MOLLET JOHN RUSSELL & ANA LAURA
27917 W CORNMAN RD
CASA GRANDE, AZ 85222

511-05-010A
PIKE MICHAEL P
27847 W CORNMAN RD
CASA GRANDE, AZ 85222

EXHIBIT 4

511-05-010B
COPPERWYND HOMES INC
2733 N POWER RD #108
MESA, AZ 85215

511-05-010C
JONES KENNETH R
12590 W WAVERLY DR
CASA GRANDE, AZ 85222

511-05-010D
RANDALL TED L & PAULA
27703 W CORNMAN RD
CASA GRANDE, AZ 85222

511-05-014B
PRECIO GRANDE LTD PSHIP
2944 N 44TH ST 200
PHOENIX, AZ 85018

511-05-016
BARZILAI ABRAHAM TR
3104 E CAMELBACK RD 518
PHOENIX, AZ 85016

511-05-017
SANTORO FILIPPO TR
110 W NORTHERN AVE
PHOENIX, AZ 85021

511-05-018
511-05-019
SCHEAR ELDEN K & BETTY L
5030 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-05-020
LONG BUDDY K & MENDOZA DIANA C
5000 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-06-001A
EDELMAN FREDERIC J & MARC J
10 OLD JACKSON AVE
HASTINGS ON HUDS, NY 10706

511-06-002C
511-06-002D
DYESS NELSON H TR
4409 SOUTH RURAL RD 203
TEMPE, AZ 85282

EXHIBIT 4

511-50-001 TO
511-50-448 INCLUSIVE
PASOLE I LLC
8238 E THOMAS ST
SCOTTSDALE, AZ 85251

511-51-001 TO 511-51-012 INCLUSIVE
511-51-017 TO 511-51-256 INCLUSIVE
B E & H MORTGAGE ENTERPRISES LLC
8096 E SUNNYSIDE DR
SCOTTSDALE, AZ 85260

511-51-013
511-51-014
511-51-015
511-51-016
JONES DEBRA L
6425 ENCHANTED HILL LN
SAN MIGUEL, CA 93451

511-51-257 TO 511-51-508 INCLUSIVE
J & D CONSULTING MANAGEMENT INC
8096 E SUNNYSIDE DR
SCOTTSDALE, AZ 85260

511-57-001
FREBERG LOLA & LIBBY RITA L
3300 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-002
DOSSEY HELEN MAY TR
3394 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-003
DUNN WILLIAM E & EVANGELINE
3462 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-004
LEYVAS MARGARITA
3436 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-005
ALLEN ALBERT & ADELINE
PO BOX 11765
CASA GRANDE, AZ 85230

511-57-006
ALBRIGHT LARRY S OR MARY M
3676 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

EXHIBIT 4

511-57-007
REPPERT JACK A
3746 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-008
HERMAN DANIEL L
PO BOX 55
MOUNTIAN CITY, TN 37683

511-57-009
HOLLAR DORIS E
3888 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-010
BRUNO LARRY & OLGA CATHERINE
3958 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-011
HENDERSON JAMES G
27780 W KIN LI CHEE AVE
CASA GRANDE, AZ 85222

511-57-012
MOORE DEBORAH A
27849 W KIN LI CHEE AVE
CASA GRANDE, AZ 85222

511-57-013
LOPEZ JESSE JR & LINDA FAYE
4194 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-014
DIPLACIDO THOMAS C & LISA R
4262 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-015
NANCY J WYATT TRUST
506 HIGH POINT DR
GOLDEN, CO 80403

511-57-016
PADILLA VERONICA A
928 N KADOTA AVE
CASA GRANDE, AZ 85222

511-57-017
MCCORMACK JAMES R & BEVERLY A
4476 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

EXHIBIT 4

511-57-018
CORUM WILLIAM J & AMY D
4546 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-019
511-57-020
CORTEZ FREDERICK A & PATRICIA
4688 S WHISPERING SANDS DR
CASA GRANDE, AZ 85222

511-57-021
CHAYDEZ ABEL
4762 S WHISPERING SAND DR
CASA GRANDE, AZ 85222

511-57-022
FIGUEROA LUIS & CARMEN H
27788 W CORNMAN RD
CASA GRANDE, AZ 85222

511-57-023
MATHEY ROBERT NORRIS & CONSTANCE ANN
27940 W CORNMAN RD
CASA GRANDE, AZ 85222

511-57-024
VASQUEZ FRANCISCO & DEBORAH
4763 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-025
POWELL BILL & SUSAN
4689 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-026
PASS MARK DANIEL
1424 ARVEL CIR
AZLE, TX 76020

511-57-027
CRAIG MICHAEL D & CAREY A
4547 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-028
HARPER DENNIS W & CARRIE
4477 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-029
COLWELL WALTER H & CHARLOTTE J
4405 S MAMMOTH DR
CASA GRANDE, AZ 85222

EXHIBIT 4

511-57-030
HULSEBUS DEREK & LINDA S
4335 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-031
BURNSTEIN ROBERT J & ROBIN M
4263 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-032
HANSON JEFFREY R
4195 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-033
PALMER FRANCIS L JR & GUENTHER SUSAN H
7063 PORTER RD
GRAND BLANC, MI 48439

511-57-034
HERNDON BOBBY G & GERMAINE M
4029 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-035
MERRYMAN TONYA & KRUSE TERESA L
22162 MAYFIELD RD
FAYETTEVILLE, AR 72703

511-57-036
T & K INVESTMENTS
PO BOX 189
STANFIELD, AZ 85272

511-57-037
HERNANDEZ REYMUNDO & ISABEL FAMILY TRUST
PO BOX 10479
CASA GRANDE, AZ 85230

511-57-038
SUL JOSEPH E & JUDITH G
3747 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-039
WHITFIELD BOB & BARBARA
PO BOX 11232
CASA GRANDE, AZ 85230

511-57-040
WHITTEMORE STEVEN B & ELAINE M
3607 S MAMMOTH DR
CASA GRANDE, AZ 85222

EXHIBIT 4

511-57-041
HALL RICHARD A & CINDY
3537 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-042
BAXTER VISMINDA G TR
3463 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-043
PATTERSON ALBERT & NANCY A
3395 S MAMMOTH DR
CASA GRANDE, AZ 85222

511-57-044
JOHNSTONE JAY C
28051 W SELMA HWY
CASA GRANDE, AZ 85222

511-66-001F
511-66-001H
511-66-019
CASA GRANDE GOLF COURSE & RV RESORT LLC
4216 N BROWN
SCOTTSDALE, AZ 85251

511-66-002
ARIZONA WATER COMPANY
P O BOX 29006
PHOENIX, AZ 85038

511-66-005
SHELBRACK RICHARD M TR ETAL
4202 W BROWN ST
PHOENIX, AZ 85051

511-66-006
LERNER FRANK & SUSAN KEPES TRS
PO BOX 1106
CAREFREE, AZ 85377

511-66-007
WESTCOTT ANTHONY S
3329 W CYPRESS ST
PHOENIX, AZ 85009

511-66-008
TAYLOR JOE ANN
PO BOX 2144
ARIZONA CITY, AZ 85223

511-66-009
ZOBRO STEVEN J & DEMARIS M TRS
1119 S PRESIDIO DR
GILBERT, AZ 86233

EXHIBIT 4

511-66-010A
CORNMAN 40 L L C
5108 N 40TH ST STE 3
PHOENIX, AZ 85018

511-66-010B
RANDOLPH 40 L L C
5108 N 40TH ST STE 3
PHOENIX, AZ 85018

511-66-011
CARPENTER LEONARD & DOROTHY
822 W RIVER ST
BOURBONNAIS, IL 60914

511-66-014
SHELBRACK RICHARD M TR ETAL
4202 W BROWN ST
MESA, AZ 85208

511-66-022 MAYFIELD PARTNERS
PO BOX 790
CAREFREE, AZ 85377

511-66-023
FARAHZADI SHAWN S
PO BOX 50541
PHOENIX, AZ 85076

511-66-024A
DANIELS LEON L
27602 W CORNMAN RD
CASA GRANDE, AZ 85222

511-66-024E
HENSLEY MARTY J & JOYCE E
27560 W CORNMAN
CASA GRANDE, AZ 85222

511-66-024F
READER RICHARD G & JUDITH M
27534 W CORNMAN RD
CASA GRANDE, AZ 85222

511-66-024G
BROWN ALICIA J
522 E IOWA 10
HOLBROOK, AZ 86025

511-66-024H
VIEZCAS ALFREDO
4738 S CALLE DE ALICIA
CASA GRANDE AZ 85222

EXHIBIT 4

511-66-024J
FEDERAL NATIONAL MORTGAGE ASSOCIATION
400 COUNTRYWIDE WAY SV-35
SIMI VALLEY, CA 93065

511-66-024K
MORRIS PATRICK A
4802 S CALLE DE ALICIA
CASA GRANDE AZ 85222

511-66-024M
KLINE DEBORAH L
27504 W CORNMAN RD
CASA GRANDE, AZ 85222

511-66-024N
BAJLO NEVEN & EDITH CHRITINE
14002 S 32ND ST
PHOENIX, AZ 85044

511-66-024P
MAY SANDRA A
4847 S CALLE DE ALICIA
CASA GRANDE, AZ 85222

511-67-003
CHIOU THAI IN
16625 S 32ND PL
PHOENIX, AZ 85044

511-67-004
511-67-006
511-67-008
511-67-012
DOYLE JOSEPH A & MILLER PAMELA A
9633 125TH PL SE
RENTON, WA 98056

511-67-005
CHIOU THAI IN
16625 S 32ND PL
PHOENIX, AZ 85044

511-67-007
RICHARD M SHELBRACK FAMILY REV TR 12.5
4202 W BROWN ST
PHOENIX, AZ 85051

511-67-009
HANKS AUDREY A
14022 BOLIVAR DR
SUN CITY, AZ 85351

PARCEL TWO

511-72-001 TO
511-72-016 INCLUSIVE
511-73-001A
TCP INVESTMENTS, INC.
5390 EAST SAN MIGUEL AVENUE
PARADISE VALLEY, ARIZONA 85253

PARCEL THREE

511-78-001A
511-78-001b
511-78-002
WILLIAM H. & JACQUELINE M. WARREN
P.O. BOX 111
ARIZONA CITY, ARIZONA 85223-0111

511-78-001C
UNITED STATES OF AMERICA

PARCEL FOUR

402-06-012
402-06-013
402-06-014
402-06-019
402-06-024
ORE6, LLC
650 CALIFORNIA STREET
SUITE 1500
SAN FRANCISCO, CALIFORNIA 94108

PARCEL FIVE

509-44-001
509-44-008C
DALEY WOODRUFF, LLC
5040 EAST SHEA BOULEVARD
SUITE 254
SCOTTSDALE, ARIZONA 85254

509-44-009A
I-10 WOODRUFF 300 LIMITED PARTNERSHIP, LLLP
5040 EAST SHEA BOULEVARD
SUITE 254
SCOTTSDALE, ARIZONA 85254

509-44-002
51 BUCKEYE LIMITED PARTNERSHIP
5816 NORTH CASA BLANCA DRIVE
PARADISE VALLEY, ARIZONA 85253

EXHIBIT 4

509-44-003

509-44-004

ARTHUR T. JR. & SHIRLEY M. POOR
2644 SOUTH CHUI CHU ROAD
CASA GRANDE, ARIZONA 85222

509-44-008b

JAY H. & DOREEN L. PRESKITT
15385 WEST VAL VISTA BOULEVARD
CASA GRANDE, ARIZONA 85222

PARCEL SIX

401-01-010b

CORNERSTONE SADDLE CREEK II, LLC
1630 SOUTH STAPLEY DRIVE
#223
MESA, ARIZONA 85201

401-01-010C

SAN TAN HOMES, LLC
P.O. BOX 9602
CHANDLER, ARIZONA 85227

PARCEL SEVEN

401-01-012K

401-01-012M

401-01-012N

401-01-012P

401-01-012R

LACO HOUSING, LLC
13047 NORTH 80TH PLACE
SCOTTSDALE, ARIZONA 85260

401-01-128

401-01-129

401-01-130

401-01-131

401-01-132

ROSS M. & DENISE R. COOPER
ALBERT J. & KATHLEEN M. LACANNE
13047 NORTH 80TH PLACE
SCOTTSDALE, ARIZONA 85260

PARCEL EIGHT

408-23-053A

AZUSA PROPERTY DEVELOPMENT, LLC
1538 EAST GABLE AVENUE
MESA, ARIZONA 85204

EXHIBIT 4

408-23-053b
CONNIE PETERS
P.O. BOX 2364
ARIZONA CITY, ARIZONA 85223

EXHIBIT 5

ARIZONA WATER COMPANY

3805 N. BLACK CANYON HIGHWAY, PHOENIX, ARIZONA 85015-5351 • P.O. BOX 29006, PHOENIX, ARIZONA 85038-9006
PHONE: (602) 240-6860 • FAX: (602) 240-6878 • WWW.AZWATER.COM

[Date]

«PropertyOwner»

«Address1»

«Address2»

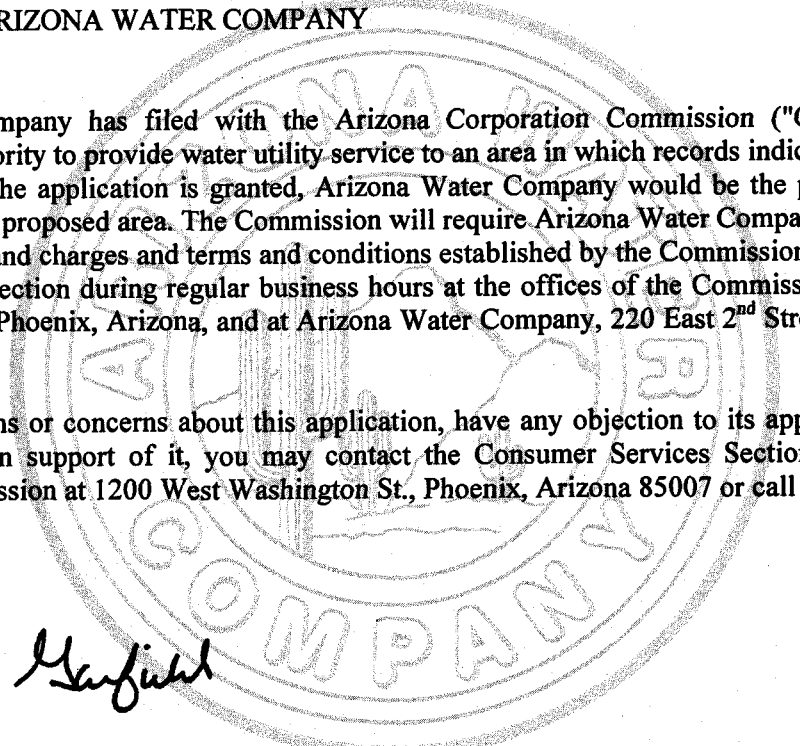
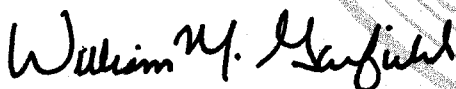
«City» «State» «PostalCode»

PINAL COUNTY ASSESSOR'S PARCEL NO.: «ParcelNumber»

**PUBLIC NOTICE OF AN APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND
NECESSITY BY ARIZONA WATER COMPANY**

Arizona Water Company has filed with the Arizona Corporation Commission ("Commission") an application for authority to provide water utility service to an area in which records indicate that you are a property owner. If the application is granted, Arizona Water Company would be the provider of water utility service to the proposed area. The Commission will require Arizona Water Company to provide this service under rates and charges and terms and conditions established by the Commission. The application is available for inspection during regular business hours at the offices of the Commission at 1200 West Washington Street, Phoenix, Arizona, and at Arizona Water Company, 220 East 2nd Street, Casa Grande, Arizona.

If you have questions or concerns about this application, have any objection to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Arizona Corporation Commission at 1200 West Washington St., Phoenix, Arizona 85007 or call 1-800-222-7000.



WILLIAM M. GARFIELD
President

E-MAIL: mail@azwater.com

Exhibit 6

ARIZONA WATER COMPANY Comparative Balance Sheet at January 31, 2005

ASSETS

UTILITY PLANT

Gross Utility Plant
Less Accumulated Depreciation

Net Utility Plant

CURRENT ASSETS

Cash on Hand and in Banks
Investments and Special Deposits
Accounts Receivable
Materials and Supplies
Other

Total Current Assets

DEFERRED DEBITS

TOTAL

LIABILITIES

CAPITALIZATION

Common Stock
Capital Surplus
Retained Earnings

Common Stock Equity
Long-Term Debt

Total Capitalization

CURRENT LIABILITIES

Notes Payable
Accounts Payable
Accrued Expenses
Other

Total Current Liabilities

DEFERRED CREDITS

Advances for Construction
Contributions in Aid of Construction
Deferred Income Tax
Other

Total Deferred Credits

TOTAL

Jan. 31, 2005
Jan. 31, 2004
Increase
(Decrease)

\$ 228,781,776
\$ 209,154,402
\$ 19,627,374

56,532,968
52,006,493
4,526,475

172,248,808
157,147,909
15,100,899

863,614
375,630
487,984

2,703
2,703
0

2,521,789
2,439,214
82,575

213,018
210,202
2,816

728,554
568,254
160,300

4,329,678
3,596,003
733,675

6,071,844
6,271,255
(199,411)

\$ 182,650,330
\$ 167,015,167
\$ 15,635,163

\$ 2,700,000
\$ 2,700,000
\$ 0

9,087,347
8,970,647
116,700

54,437,725
48,702,358
5,735,367

66,226,072
60,373,006
5,852,067

21,800,000
22,200,000
(400,000)

88,026,072
82,573,005
5,452,067

2,100,000
800,000
1,300,000

3,104,685
2,035,945
1,068,740

811,024
1,614,306
(803,282)

530,067
476,109
53,958

6,546,776
4,926,360
1,619,416

42,294,247
38,194,873
4,099,374

23,249,942
22,258,503
991,339

17,612,705
14,915,897
2,696,808

4,922,688
4,146,529
776,159

88,079,482
79,515,802
8,563,680

\$ 182,650,330
\$ 167,015,167
\$ 15,635,163

Exhibit 6

ARIZONA WATER COMPANY Comparative Statement of Income January 31, 2005

	12 MONTHS TO DATE		JANUARY				1 Month to Date	
	2005	2004	2005	2004	2005	2004	2005	2004
OPERATING REVENUE	\$ 40,247,627	\$ 37,667,887	\$ 2,906,782	\$ 2,686,044	\$ 2,906,782	\$ 2,686,044		
OPERATING EXPENSES								
Operation and Maintenance	18,723,137	17,868,268	1,482,188	1,387,330	1,482,188	1,387,330		
Depreciation	4,861,706	4,499,615	433,325	410,079	433,325	410,079		
Taxes Other Than Income Taxes	5,686,280	5,418,933	452,335	430,921	452,335	430,921		
Income Taxes	3,484,920	2,761,274	171,077	159,409	171,077	159,409		
Total Operating Expenses	32,766,043	30,548,090	2,538,925	2,387,739	2,538,925	2,387,739		
OPERATING INCOME	7,461,584	7,149,797	367,857	298,305	367,857	298,305		
OTHER (INCOME) AND DEDUCTIONS								
Other (Income) - Net	(3,750,876)	(133,098)	(38,242)	(9,862)	(38,242)	(9,862)		
Interest on Long-Term Debt	1,846,300	1,883,300	152,317	155,400	152,317	155,400		
Other Interest and Amortization	(87,107)	(31,691)	(4,214)	(11,063)	(4,214)	(11,063)		
Total Other (Income) and Deductions	(1,991,683)	1,718,511	109,861	134,475	109,861	134,475		
NET INCOME	9,453,267	5,431,286	\$ 257,996	\$ 163,830	\$ 257,996	\$ 163,830		
Regular Common Dividends	3,717,900	3,393,900						
INCOME RETAINED	\$ 5,735,367	\$ 2,037,386						
Active Services	73,119	69,895						

JANUARY 2005

COPY

Exhibit 7

1268-263

755253

FRANCHISE

BE IT RESOLVED by the Board of Supervisors, County of Pinal, State of Arizona:

THAT WHEREAS, Arizona Water Company, an Arizona corporation, has duly filed and presented its application that it be granted the right, privilege and franchise to construct, maintain and operate upon, over, along, across and under the present and future streets, avenues, alleys, highways, bridges, public roads and other public places in the County of Pinal, State of Arizona, water lines, plant and system, including mains, laterals, pumps, manholes, meters, regulator stations and related equipment, facilities and appurtenances, for the purpose of supplying water for all purposes in the County of Pinal, State of Arizona, for a period of twenty-five (25) years; and

WHEREAS, upon the filing of said application, the Board of Supervisors ordered that public notice of the intention of said Board to make such grant be given by publishing a notice in the Florence Reminder & Blade-Tribune newspaper of general circulation published in the City of Casa Grande, County of Pinal, State of Arizona, stating that at 10:00 o'clock A.M. on the 4th day of February, 1985, at the Courthouse in the City of Florence, County of Pinal, State of Arizona, was set for the time and place for the consideration of the granting of said right, privilege, and franchise; and

WHEREAS, said application coming on regularly for hearing on the 4th day of February, 1985, and it appearing by the affidavit of Florence Reminder of said newspaper that due and legal notice of said time and place set for the consideration of such action has been published for at least once a week for three weeks prior to the date set for said hearing;

NOW, THEREFORE,

SECTION 1. There is hereby granted to Arizona Water Company, a corporation organized and existing under and by virtue of the laws of the State of Arizona, its successors and assigns (hereinafter called "Grantee"), the right, privilege and franchise to construct, maintain and operate upon, over, along, across and under the present and future streets, avenues, alleys, highways, bridges, public roads and other public places in the County of Pinal, State of Arizona, water lines, plant and system, including mains, laterals, pumps, manholes, meters, regulator stations and related equipment, facilities and appurtenances, for the purpose of supplying water for all

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purposes in the County of Pinal, State of Arizona. Grantee's Application for Franchise is made a part hereof by reference thereto.

SECTION 2. All facilities to be constructed pursuant to this franchise shall be constructed and maintained in accordance with established practices with respect to such streets, avenues, alleys, highways, bridges and public places of the County of Pinal. Prior to such construction, a map showing the location of such facilities shall be submitted to such persons as may be designated by said Board of Supervisors.

SECTION 3. In the event that any lines or related facilities installed or constructed pursuant to this franchise shall at any time be found to interfere unduly with vehicular and pedestrian traffic over such streets, avenues, alleys, highways, bridges, public roads and other public places the Grantee hereby agrees that it will, at its own expense, and within a reasonable time after notice thereof by said Board of Supervisors, remove or relocate said lines, or related facilities so as to minimize said interference. In all other instances the costs incurred in relocating any lines or facilities shall be borne by and added to the cost of the public or private improvement causing or resulting in such relocation.

SECTION 4. In the event that said Board of Supervisors, acting on behalf of the County of Pinal, takes action to dispose of unnecessary public roadways in accordance with the provisions of Arizona Revised Statutes §28-1901, et seq., said Board of Supervisors agrees to recognize and preserve each of the Grantee's prior rights of way or easements and rights under this franchise which are affected thereby, as they existed prior to such disposition, by including specific and appropriate language for that purpose in any legal instrument utilized for the purpose of accomplishing such disposition.

SECTION 5. In case of any disturbance of pavement, sidewalk, driveway or other surfacing, planting or ground cover resulting from Grantee's action pursuant to this franchise, Grantee shall, in a manner entirely satisfactory to said Board of Supervisors and the department having appropriate jurisdiction, replace and restore the paving, sidewalk, driveway, surfacing, planting or ground cover of any street, alley or other public way or place so disturbed in as good condition as it was prior to said disturbance. All such work shall be completed with due diligence.

Further, to avoid duplication of effort and untimely destruction of the street, the Grantee shall coordinate its construction and replacement

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plans pursuant to this franchise with said department having appropriate jurisdiction.

SECTION 6. The Grantee shall save the County of Pinal harmless from expenses, claims and liability arising by reason of the exercise of this franchise by Grantee.

SECTION 7. The right, privilege and franchise hereby granted shall continue and exist for a period of twenty-five (25) years from the effective date hereof, and upon approval by said Board of Supervisors and acceptance by the Grantee, this franchise shall be deemed effective as of the date of approval of this Application.

SECTION 8. The right, privilege and franchise hereby granted shall inure to the benefit of, and be binding upon the Grantee, its successors and assigns.

SECTION 9. All resolutions and parts of resolutions in conflict with the provisions hereof are hereby repealed to the extent applicable to a franchised public service corporation.

SECTION 10. If any section, paragraph, subdivision, clause, phrase or provision of this resolution shall be adjudged invalid or unconstitutional, the same shall not affect the validity of this resolution as a whole or any part of the provisions hereof other than the part so adjudged to be invalid and unconstitutional.

SECTION 11. Upon the expiration of this franchise, if the Grantee shall not have acquired an extension or renewal thereof and accepted the same, it may continue operating its facilities and system within the County of Pinal until a new franchise can be effected with the County of Pinal.

Upon motion by Supervisor Mathieson,

seconded by Supervisor Weatherly,

the foregoing Resolution granting a Franchise to Arizona Water Company in the County of Pinal, State of Arizona, was duly passed and adopted by the Board of Supervisors, County of Pinal, State of Arizona, at a regular session of said Board held on the 4th day of February, 1985.

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PINAL COUNTY BOARD OF SUPERVISORS



By [Signature]
Chairman

ATTEST:

[Signature]
Clerk of Board of Supervisors